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FM AMEMBASSY BAGHDAD
UNCLASSIFIED

E.O. 12958: N/A TAGS: ELAB, IZ, PGOV, PHUM, PREL
SUBJECT: KBR SUBCONTRACTOR SUSPECTED OF TIP VIOLATIONS

SUMMARY

1. (SBU) DURING AN EARLY DECEMBER INSPECTION VISIT, EMBOFFS CONFIRMED MEDIA REPORTS OF SOME 1,000 THIRD COUNTRY NATIONALS (TCN) LIVING IN TRANSIT HOUSING FACILITIES, "MAN CAMPS," NEAR THE BAGHDAD AIRPORT WHILE WAITING FOR EMPLOYMENT WITH MNF-I CONTRACTORS. MANY OF THE TCNS HAVE BEEN LIVING FOR SEVERAL MONTHS IN OVERCROWDED CONDITIONS WITH NO PAY. OUTSIDE ONE CAMP, ABOUT 30 NEPALIS ABANDONED BY THE LABOR BROKER WHO BROUGHT THEM TO IRAQ LIVE IN HOVELS MADE OF PLASTIC SHEETING AND CARDBOARD. NAJLAA CATERING COMPANY, A SUBCONTRACTOR OF MNF-I CONTRACTOR KELLOGG, BROWN AND ROOT (KBR), PROCURES SUCH WORKERS THROUGH INDEPENDENT LABOR BROKERS WHO OPERATE IN THE WORKERS' HOME COUNTRIES. KBR HAS INSPECTED THE CAMPS AND TAKEN ACTION TO PREVENT NAJLAA AND OTHER SUB-CONTRACTORS FROM USING THEM. KBR HAS FULLY COOPERATED WITH THE DEFENSE CONTRACT MANAGEMENT AGENCY (DCMA) AND MNF-I CRIMINAL LAW DIVISION TO INVESTIGATE POSSIBLE TRAFFICKING IN PERSONS (TIP) AND HUMAN RIGHTS VIOLATIONS, IMPROVE THE MEN'S LIVING CONDITIONS, ENSURE THEY ARE FINANCIALLY COMPENSATED, AND EITHER EMPLOYED OR REPATRIATED. OF THE 1,000 TCNS STRANDED IN THE MAN CAMPS 325 HAVE BEEN HIRED BY KBR AND APPROXIMATELY 500 WERE PAID TWO MONTHS' SALARY AND REPATRIATED; THE REST CONTINUE TO SEEK EMPLOYMENT. THE INTERNATIONAL ORGANIZATION FOR MIGRATION (IOM) IS IN THE PROCESS OF RESETTLING MOST OF THE 30 NEPALIS (SEVERAL HAVE DECIDED TO STAY AND CONTINUE TO LOOK FOR WORK). EMBASSY IS SEEKING WAYS TO ENSURE USG CONTRACTOR AND SUBCONTRACTOR COMPLIANCE WITH APPROPRIATE LABOR, HEALTH, AND SAFETY STANDARDS. END SUMMARY.

INVESTIGATING THE MAN CAMPS

2. (SBU) ON DECEMBER 10, REFCOORD. POLOFF, UNAMI SENIOR HUMAN RIGHTS ADVISOR, AND IOM BAGHDAD REPRESENTATIVE TOURED THREE MAN CAMPS NEAR BAGHDAD INTERNATIONAL AIRPORT (BIAP). THE DCMA OVERSEES SOME U.S. MILITARY CONTRACTS, INCLUDING KBR'S, TO ENSURE THAT THEY COMPLY WITH U.S. LAWS. IT HAS LED EFFORTS TO OBTAIN FINANCIAL COMPENSATION (BACK SALARY) FOR THE STRANDED WORKERS, IMPROVE THEIR LIVING CONDITIONS, INITIATE A CRIMINAL INVESTIGATION INTO POSSIBLE TIP VIOLATIONS, AND FACILITATE REPATRIATION FOR THOSE WHO WANT IT. ACCORDING TO THE DCMA, THE USG DOES NOT HAVE JURISDICTION OVER THESE TCNS, AS THE MEN ARE NOT BEING HELD ON USG PROPERTY, NOR DO THEY HAVE USG CONTRACTS. THEY ARE, HOWEVER, IN U.S. BATTLE SPACE, WHICH PROMPTED MNF-I TO ASK DCMA TO

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INVESTIGATE THE TIP (BONDAGE AND IMPOSITION OF DEBT REPAYMENT) AND HUMAN RIGHTS VIOLATIONS CHARGES.

3. (SBU) GIVEN THE USG ZERO-TOLERANCE POLICY TOWARD TRAFFICKING IN PERSONS, MNF-I AND EMBASSY LEGAL ARE INVESTIGATING ANY SUSPICIONS OF TRAFFICKING AND ARE TAKING CORRECTIVE AND PREVENTIVE MEASURES. THEY ARE ALSO EXPLORING VARIOUS AVENUES, INCLUDING THROUGH CONTRACT CLAUSES AND LAND-USE AGREEMENTS, TO ENSURE USG CONTRACTOR AND SUBCONTRACTOR COMPLIANCE WITH APPROPRIATE LABOR, HEALTH, AND SAFETY STANDARDS. WITH REGARD TO LEGAL ACTION TO REMEDY THE SITUATION, KBR HAS ISSUED CEASE AND DESIST ORDERS TO NAJLAA AND ALL OF ITS SUBCONTRACTORS NOT TO USE THE CAMPS. KBR ALSO MET WITH NAJLAA MANAGEMENT ON DECEMBER 4 TO DISCUSS THE ISSUANCE OF A CURE NOTICE TO REMEDY ANY CONTRACT BREACHES.

4. (U) PRIOR TO VISITING THE THREE MAN CAMPS, THE DCMA OFFICER IN CHARGE BRIEFED ON THE BACKGROUND, CURRENT STATUS AND PLANS TO HELP THE TCNS STRANDED AT THE BIAP MAN CAMPS. SUCH TCN WORKERS ARE RECRUITED IN THEIR HOME COUNTRIES BY BROKERS, USUALLY COMPATRIOTS, WHO FOR A FEE RANGING FROM \$2,500 TO \$5,000 AGREE TO GET THEM JOBS WITH COMPANIES WHICH SERVICE THE COALITION FORCES. THE BROKERS THEN FLY THE JOB SEEKERS TO IRAQ IN ORDER TO HAVE THE MANPOWER AVAILABLE WHEN A CONTRACTOR (IN THIS CASE, KBR FOOD SERVICE SUB-CONTRACTOR NAJLAA) WINS A CONTRACT. UNAMI SENIOR HUMAN RIGHTS OFFICER NOTED THAT UNAMI WOULD ISSUE A PRESS STATEMENT EXPRESSING ITS SUPPORT FOR UPHOLDING INTERNATIONAL LABOR STANDARDS AND HOLDING THOSE RESPONSIBLE FOR THE SITUATION ACCOUNTABLE. (NOTE: UNAMI SRSG DE MISTURA ISSUED A STATEMENT TO THAT EFFECT ON DECEMBER 11. DE MISTURA REITERATED HIS CONCERN FOR THE TCNS AT BIAP IN A DECEMBER 18 STATEMENT ON THE OCCASION OF INTERNATIONAL MIGRANTS DAY. END NOTE.)

5. (SBU) THE DCMA CHIEF POINTED OUT THAT THE NAMES OF CAMPS VISITED -- SATCO, NAJLAA, AND FIRST KUWAITI (A DOD AND DOS CONTRACTOR) -- ARE MISLEADING, SINCE THE CAMPS ARE ACTUALLY RUN BY IRAQI ENTREPRENEURS WHO LEASE THE LAND FROM THE MINISTRY OF TRANSPORTATION. THIS SUGGESTS THERE MAY BE CORRUPT, BUT LUCRATIVE, RELATIONSHIPS BETWEEN LABOR BROKERS, SUBCONTRACTORS AND GOI OFFICIALS. FURTHERMORE, IT IS NOT CLEAR WHETHER TCN WORKERS EVER PASS THROUGH IMMIGRATION WHEN THEY ARRIVE AT BIAP. THOSE INTERVIEWED ON DECEMBER 10 TOLD EMBOFFS THAT THEY WERE TAKEN DIRECTLY TO THE CAMPS UPON ARRIVAL AND THEIR PASSPORTS TAKEN FROM THEM AFTERWARDS, PRESUMABLY FOR IMMIGRATION PROCESSING. WHILE MOST OF THE WORKERS HAD THEIR PASSPORTS RETURNED, A FEW SAID THEY HAD NEVER GOT THEM BACK. ONE BANGLADESHI WORKER SHOWED EMBOFFS HIS PASSPORT, FROM WHICH THE PAGE WITH HIS IRAQI VISA HAD BEEN REMOVED. HE SAID HIS "AGENT" Z.K. SHARMA, ALSO BANGLADESHI, HAD REMOVED IT AND LEFT FOR DUBAI.

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IN LIMBO IN A BIAP SLUM

6. (SBU) EMBOFFS FOUND A GROUP OF ABOUT 30 NEPALESE MEN WHO HAD BEEN ABANDONED BY LABOR BROKERS WHO LURED THEM TO IRAQ WITH THE PROMISE OF JOBS AND WERE LIVING IN PLASTIC SHEETING AND CARDBOARD LEAN-TOS OUTSIDE OF THE BIAP IRAQI AIRWAYS BUILDING. THEIR HOVELS ARE DIRECTLY ADJACENT TO THE SATCO (SAUDI ARABIAN TRADING COMPANY) "HOTEL," A TRAILER COMPOUND WHICH CHARGES \$100 A NIGHT AND WHICH NOW HOUSES SOME NAJLAA MANAGEMENT PERSONNEL. AN AUSTRALIAN NATIONAL WHO MANAGES THE COMPOUND TOLD EMBOFFS THAT MANY NAJLAA WORKERS HAD BEEN LIVING THERE, BUT HOUSING THE NAJLAA TCN RECRUITS AT SATCO WAS STOPPED. HE ADDED THAT AN (APPARENT) IRAQI POLICE OFFICIAL RECENTLY CAME TO SATCO WITH A LIST OF NAMES OF THE NEPALESE WORKERS. CLAIMING TO BE ACTING ON BEHALF OF THE U.S. MILITARY, HE REPORTEDLY OFFERED THE WORKERS FREE TICKETS BACK TO NEPAL, BUT WITHOUT ANY COMPENSATION FOR THE TIME SPENT IN IRAQ. THE WORKERS REFUSED. IOM HAS REPATRIATED EIGHT OF THE ABANDONED NEPALIS AND IS MAKING ARRANGEMENTS TO REPATRIATE ANOTHER GROUP SHORTLY. TWO OF THE INDIVIDUALS HAVE FOUND EMPLOYMENT; THE REST HAVE EXPRESSED A DESIRE TO REMAIN IN IRAQ UNTIL THEY FIND EMPLOYMENT. DEPARTMENT IS EVALUATING A FUNDING PROPOSAL IOM SUBMITTED IN LATE DECEMBER THAT WOULD TARGET UP TO 500 VULNERABLE STRANDED WORKERS WITH REPATRIATION AND REINTEGRATION ASSISTANCE. (NOTE: IOM REPORTED ON JANUARY 4, THAT 10 OF THIS GROUP OF TCNS REMAIN. IOM IS MAKING ARRANGEMENTS TO REPATRIATE ONE INDIVIDUAL; THE REST PREFER TO REMAIN IN THE HOPE OF FINDING JOBS. END NOTE.)

INSISTING ON ONE'S DUE

7. (U) THE NEXT STOP WAS A WAREHOUSE WHERE NAJLAA HOUSED APPROXIMATELY 1,000 TCNS BROUGHT TO IRAQ TO SUPPLY KBR WITH LABOR. THE WAREHOUSE IS RUN BY AN IRAQI ENTREPRENEUR WHO CHARGES \$15 A NIGHT FOR EACH TCN. FOLLOWING A DECEMBER 3 TIMES OF LONDON ARTICLE ABOUT THE MEN (SRI LANKANS, INDIANS, NEPALIS, AND BANGLADESHIS), WHOSE LENGTH OF STAYS AT THE PLACE RANGED FROM TWO TO FIVE MONTHS, KBR AND NAJLAA REPATRIATED ABOUT 500. THE IRAQI CAMP MANAGER TOLD EMBOFFS THE LAST GROUP OF 200 LEFT ON DECEMBER 9. HE ADDED THEY WOULD BE PAID TWO MONTHS SALARY BY NAJLAA, WHICH SAID IT WOULD ALSO ENSURE THAT THE MEN RECOVER THE FEES THEY PAID LABOR BROKERS IN THEIR HOME COUNTRIES. THE DCMA OFFICER NOTED THAT THERE WAS NO WAY TO CONFIRM THAT THE MEN ACTUALLY RECEIVE THE COMPENSATION. ACCORDING TO THE CAMP MANAGER, ONLY 490 MEN ARE LEFT, WHICH HAS GREATLY ALLEVIATED OVERCROWDING IN THE FACILITY. THE CAMP MANAGER SAID THAT GOI IMMIGRATION OFFICIALS CAME TO CHECK THE MEN'S PASSPORTS FOR VISAS. ACCORDING TO THE MEN INTERVIEWED, NAJLAA HAS RETAINED ALL OF THEIR PASSPORTS, EXCEPT FOR THOSE OF 14 INDIANS.

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8. (U) AN ELDERLY SRI LANKAN, WHO SPOKE FOR THE LARGE GATHERING OF TCNS, TOLD POLOFF THAT THE MEN HAD SIGNED CONTRACTS WITH NAJLAA FOR JOBS PAYING FROM \$400 TO \$800 A MONTH, BUT THAT NAJLAA HAD KEPT THE CONTRACTS WITHOUT GIVING THE MEN COPIES. ONLY ONE HAD MANAGED TO MAKE A COPY OF HIS CONTRACT AND SHOWED IT TO EMBOFFS; HE HAD SIGNED THE ORIGINAL, BUT THE CONTRACT WAS NOT SIGNED BY A NAJLAA REPRESENTATIVE. THE SRI LANKAN EMPHASIZED THAT THE MEN EXPECTED TO BE PAID THEIR SALARIES FOR EACH MONTH THEY HAD SPENT IN IRAQ; THEY NEEDED TO SUPPORT THEIR FAMILIES AT HOME. SOME WANT TO LEAVE AS SOON AS THEY RECEIVE THEIR BACK SALARIES, WHILE OTHERS WANT TO WAIT, STILL HOPEFUL JOBS WILL MATERIALIZE.

9. (U) THE THIRD CAMP IS RUN BY THE FIRST KUWAITI COMPANY, WHICH DEALS DIRECTLY WITH THE U.S. MILITARY. THE PAKISTANI CAMP MANAGER TOLD EMBOFFS IT HOUSES APPROXIMATELY 150 PAKISTANIS, INDIANS, NEPALIS, BANGLADESHIS, IRAQIS, AND FILIPINOS WHO WORK ON THE U.S. MILITARY BASE ADJACENT TO BIAP. HE ADDED THAT NAJLAA HAD ASKED FIRST KUWAITI AROUND MID-OCTOBER 2008 IF IT COULD HOUSE 300-400 MEN THERE FOR A FEW WEEKS. THE REQUEST WAS GRANTED AND THE MEN STAYED UNTIL THE BEGINNING OF DECEMBER, BUT NOW ARE ALL GONE. THE FACILITY WAS ILL-MAINTAINED AND DIRTY WHEN FIRST VISITED BY THE DCMA, BUT, ACCORDING TO THE DCMA CHIEF, CONDITIONS HAVE PERCEPTIBLY IMPROVED OVER THE COURSE OF SEVERAL VISITS.

10. (U) COMMENT: ALTHOUGH THERE HAS BEEN NO LEGAL DETERMINATION THAT THESE TCNS HAVE BEEN TRAFFICKED, THEIR SITUATION IS UNACCEPTABLE. DCMA AND MNF-I TOOK QUICK CORRECTIVE ACTION WHEN THEY LEARNED OF CONDITIONS AT THE MAN CAMPS. EMBASSY AND MNF-I ARE REVIEWING CONTRACT CLAUSES AND LAND-USE AGREEMENTS TO ENSURE USG CONTRACTOR AND SUBCONTRACTOR COMPLIANCE WITH ALL APPROPRIATE LABOR, HEALTH, AND SAFETY STANDARDS. CROCKER

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